



# L.G. BALAKRISHNAN & BROS LIMITED

LGB/SEC/STK-BM-2017

06.05.2017

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	National Stock Exchange of India Limited "Exchange Plaza" Bandra Kurla Complex Bandra (E), Mumbai – 400 051
Scrip Code: 500250	Scrip Code: LGBBROSLTD

Dear Sirs,

Sub: Outcome of Board Meeting.

Ref: Intimation under SEBI (Listing Obligations and Disclosure Regulations) Regulations, 2015 (Listing Regulations)

The Board of Directors of the Company at its meeting held on Saturday, May, 06, 2017, had inter-alia considered and approved the following:

- a) Pursuant to Regulation 33 of the Listing Regulations we are enclosing herewith Audited financial results for the quarter and year ended March 31, 2017 along with Auditors Report. Further note that the statutory auditors of the company have expressed an unqualified audit opinion in this regard.
- b) Pursuant to Regulation 30 of the Listing Regulations, the board of directors have recommended a dividend of Rs.7/- per Share of Rs.10/-each ( 70% on the face value of Rs.10/- each) for the financial year ended March 31, 2017, subject to the approval of shareholders in the upcoming Annual General Meeting.
- c) To Board considered and dropped the proposal of Sub-division of equity shares of the Company from face value of Rs.10/- to Re.1/-
- d) Increase in authorized share capital of the Company from Rs 20 Crores divided into 2,00,00,000 equity shares of Rs.10 each to 40 Crores divided into 4,00,00,000 equity shares of Rs.10/- each and amendment of Clause V of the Memorandum of Association and the Articles of Association of the Company respectively for this purpose.

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## L.G. BALAKRISHNAN & BROS LIMITED

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- e) The Board of Directors have approved the draft Scheme of Amalgamation pursuant to Section 230 and other applicable provisions of the Companies Act, 2013 of BCW V Tech India Private Limited (wholly owned subsidiary Company) with the Company. The appointed date proposed is 1<sup>st</sup> April, 2017. The Scheme is subject to various statutory approvals. The requisite information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015 is enclosed herewith.
- f) Recommendation of appointment of M/s.Suri & Co., Chartered Accountants, Coimbatore Firm Registration No. 004283S as Statutory Auditors of the Company for a period of five (5) financial years commencing from the financial year 2017-2018, in the place of the retiring Statutory Auditors of the Company M/s. Deloitte Haskins & Sells., Chartered Accountants, on such terms and conditions as may be approved by the shareholders at the forthcoming Annual General Meeting of the Company. In terms of Regulation 30 of the Listing Regulations (as amended), a brief profile of M/s. Suri & Co., Chartered Accountants, is enclosed herewith.

Kindly take the same on record

Thanking You,

Yours faithfully,  
For L.G.Balakrishnan & Bros Limited

  
M.Lakshmi Kanth Joshi  
General Manager Cum Company Secretary



## L.G. BALAKRISHNAN & BROS LIMITED

Information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No.CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015.

a)	name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;	BCW V Tech India Private Limited (BCW) (Transferor Company – Unlisted)  <p style="text-align: right;"><u>Rs In Lakhs</u></p> Total Assets :1449.98 Turnover :1156.32 L.G.Balakrishnan & Bros Limited (Transferee Company – Listed) Total Assets : 82410.81 Turnover :117588.19 As at 31.03.2017
b)	whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”;	L.G.Balakrishnan & Bros Limited (LGB) Yes The same is done at arm’s length basis
c)	area of business of the entity(ies);	BCW the transferor Company is engaged in the machining activities. LGB the Transferee Company is engaged in the Manufacturers of Automotive Chain and its Components
d)	rationale for amalgamation/ merger	In view to consolidate their respective businesses into one entity, the amalgamation will enable the transferee Company to consolidate the business into one entity. The amalgamation will result the Transferee company to harness and optimum synergies of the Transferor Company in all respects.
e)	in case of cash consideration – amount or otherwise share exchange ratio;	BCW is a wholly owned Subsidiary Company of LGB, the entire share capital of BCW is held by LGB. Therefore, upon the proposed scheme becoming effective, all shares held by LGB in BCW shall stand cancelled, without any further act or deed, upon the scheme becoming effective. In lieu thereof, no allotment of any new shares or any payment will be made by LGB to shareholders of BCW.
f)	brief details of change in shareholding pattern (if any)of listed entity	There will be no change in the shareholding pattern of LGB <b>For L.G. BALAKRISHNAN &amp; BROS LTD.</b>

  
**M. LAKSHMI KANTH JOSHI**  
General Manager cum Company Secretary



# L.G. BALAKRISHNAN & BROS LIMITED

## Brief Profile

Name of the Firm: M/s. Suri & Co.,


Firm Registration No. 004283S

The firm was established in the year 1939 by Sri S.Suriyanarayanan, the First vice President of Institute of Chartered Accountants of India.

The firm now has 13 full time partners and 7 offices spread over the states of Tamil Nadu, Karnataka and Kerala. The firm is a professionally managed firm consisting of distinguished Chartered Accountants in whole time practice with a combination of specialised skills and qualifications in areas of International Financial Reporting, Information system Audit which are geared to offer sound financial advice and attest services. The firm is empanelled with the Comptroller and Audit General of India, Reserve Bank of India, Audit Bureau of Circulation, etc. The firm presently carries out attest functions of Nationalised Banks, Public sector undertakings, listed companies etc.

The firm has obtained latest Peer Review certificate dated. 11.01.2017 from The Institute of Chartered Accountants of India.

For L.G. BALAKRISHNAN & BROS LTD.

  
M. LAKSHMI KANTH JOSHI  
General Manager cum Company Secretary



## L.G. BALAKRISHNAN & BROS LIMITED

Listing Department The National Stock Exchange of India Limited "Exchange Plaza" Bandra Kurla Complex, Bandra(E) Mumbai – 400 051	Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
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LGBFL/SEC/STK-BM-2017

6.05.2017

Sub: Declaration with respect to Auditor's Report with unmodified opinion to the Standalone and Consolidated Audited Financial Results for the Financial Year Ended March 31, 2017.

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we do hereby confirm that the Statutory Auditors of the Company M/s. Deloitte Haskins & Sells., (Firm's Registration No. 008072S) have not expressed any modified opinion in its Standalone and Consolidated Annual Audited Financial Results of the Company, for the Financial Year ended March 31, 2017.

Thanking You.

Yours faithfully,  
For L.G.Balakrishnan & Bros Limited

N.Rengaraj  
Chief Financial Officer

STATEMENT OF STANDALONE/CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31-03-2017

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended			
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
		Standalone			Standalone		Consolidated	
1	Revenue from operations	31,333.14	28,404.63	27,828.23	117,159.39	109,010.11	128,269.84	120,530.33
2	Other income (Refer Note 5)	171.80	62.00	194.26	428.80	417.21	862.18	392.10
3	<b>Total Revenue (1) + (2)</b>	<b>31,504.94</b>	<b>28,466.63</b>	<b>28,022.49</b>	<b>117,588.19</b>	<b>109,427.32</b>	<b>129,132.02</b>	<b>120,922.43</b>
4	<b>Expenses</b>							
	(a) Cost of materials consumed	12,084.90	12,498.06	11,385.36	46,576.82	44,760.87	51,776.27	50,619.78
	(b) Purchases of stock-in-trade	1,144.61	969.10	1,218.38	4,212.14	3,738.32	4,212.14	3,738.32
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,150.37	(1,659.71)	(778.94)	35.81	(652.32)	113.73	(670.09)
	(d) Employee benefits expense	4,363.17	4,497.75	4,114.88	17,015.94	15,167.49	19,284.60	17,310.14
	(e) Finance costs	315.48	323.25	370.83	1,399.62	1,648.28	1,553.35	1,788.92
	(f) Depreciation and amortisation expense	1,285.63	1,251.90	1,181.02	4,922.90	4,309.37	5,269.08	4,593.02
	(g) Other expenses	8,894.18	8,619.61	8,760.94	34,748.60	33,417.97	37,092.33	35,764.64
	<b>(h) Total expenses (a) to (g)</b>	<b>29,238.34</b>	<b>26,499.96</b>	<b>26,252.47</b>	<b>108,911.83</b>	<b>102,389.98</b>	<b>119,301.50</b>	<b>113,144.73</b>
5	<b>Profit before exceptional and extraordinary items and tax (3 - 4)</b>	<b>2,266.60</b>	<b>1,966.67</b>	<b>1,770.02</b>	<b>8,676.36</b>	<b>7,037.34</b>	<b>9,830.52</b>	<b>7,777.70</b>
6	Exceptional Items (Refer Note 7)	58.18	73.15	-	131.33	-	131.33	-
7	<b>Profit from extraordinary items and tax (5 + 6)</b>	<b>2,324.78</b>	<b>2,039.82</b>	<b>1,770.02</b>	<b>8,807.69</b>	<b>7,037.34</b>	<b>9,961.85</b>	<b>7,777.70</b>
8	Extraordinary Items	-	-	-	-	-	-	-
9	<b>Profit before tax (7 ± 8)</b>	<b>2,324.78</b>	<b>2,039.82</b>	<b>1,770.02</b>	<b>8,807.69</b>	<b>7,037.34</b>	<b>9,961.85</b>	<b>7,777.70</b>
10	Tax expense							
	(a) Current tax	692.68	643.72	114.60	2,870.50	1,090.65	3,212.43	1,090.65
	(b) Deferred tax	(64.32)	2.38	89.78	(218.17)	201.33	(215.58)	200.98
11	<b>Profit for the period (9 - 10)</b>	<b>1,696.42</b>	<b>1,393.72</b>	<b>1,565.64</b>	<b>6,155.36</b>	<b>5,745.36</b>	<b>6,965.00</b>	<b>6,486.07</b>
12	Share of profit of associate (Refer Note 8)	-	-	-	-	-	105.25	91.23
13	Minority interest	-	-	-	-	-	422.40	227.65
14	<b>Net Profit after taxes, minority interest and share of profit of associate (11 + 12- 13)</b>	<b>1,696.42</b>	<b>1,393.72</b>	<b>1,565.64</b>	<b>6,155.36</b>	<b>5,745.36</b>	<b>6,647.85</b>	<b>6,349.65</b>
15	Paid up Equity Share Capital [ Face Value Rs.10/-]	1,569.62	1,569.62	1,569.62	1,569.62	1,569.62	1,569.62	1,569.62
16	Reserves excluding revaluation reserves as per balance sheet of previous accounting year				44,153.48	37,998.12	46,565.99	39,810.48
17	Earnings per equity share (Rs.)							
	(i) Basic	10.81*	8.88*	9.97*	39.22	36.60	42.35	40.45
	(ii) Diluted	10.81*	8.88*	9.97*	39.22	36.60	42.35	40.45
	* not annualised See accompanying notes to the Financial Results							



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**SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter ended			Year ended			
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
		Standalone			Standalone		Consolidated	
1	<b>Segment Revenue</b> (Net Sale/Income from operations)							
	a) Transmission	24,390.24	22,672.49	21,375.27	91,977.94	85,946.76	91,977.94	85,946.76
	b) Metal Forming	5,564.31	4,652.75	4,855.99	20,126.03	18,090.68	20,126.02	18,090.67
	c) Others	1,378.59	1,079.39	1,596.97	5,055.42	4,972.67	16,165.88	16,492.90
	<b>Total</b>	<b>31,333.14</b>	<b>28,404.63</b>	<b>27,828.23</b>	<b>117,159.39</b>	<b>109,010.11</b>	<b>128,269.84</b>	<b>120,530.33</b>
	Less: Inter segment revenue	-	-	-	-	-	-	-
	<b>Net Sales/income from operations</b>	<b>31,333.14</b>	<b>28,404.63</b>	<b>27,828.23</b>	<b>117,159.39</b>	<b>109,010.11</b>	<b>128,269.84</b>	<b>120,530.33</b>
2	<b>Segment Results</b> (Profit/(Loss) before tax and interest)							
	a) Transmission	2,286.83	1,922.01	1,725.25	8,412.72	6,936.63	8,412.72	6,936.63
	b) Metal Forming	544.31	325.95	569.92	1,810.44	1,814.48	1,810.44	1,814.47
	c) Others	(75.87)	121.74	(4.03)	270.13	341.14	1,578.02	1,222.15
	<b>Total</b>	<b>2,755.27</b>	<b>2,369.70</b>	<b>2,291.14</b>	<b>10,493.29</b>	<b>9,092.25</b>	<b>11,801.18</b>	<b>9,973.25</b>
	Less: (i) Interest	315.48	323.25	370.83	1,399.62	1,648.28	1,553.35	1,788.92
	(ii) Other unallocable expenditure net off unallocable income	115.01	6.63	150.29	285.98	406.63	285.98	406.63
	<b>Total Profit Before Tax</b>	<b>2,324.78</b>	<b>2,039.82</b>	<b>1,770.02</b>	<b>8,807.69</b>	<b>7,037.34</b>	<b>9,961.85</b>	<b>7,777.70</b>

Sl. No.	Particulars	As at			As at			
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
		Standalone			Standalone		Consolidated	
3	<b>Segment Assets</b>							
	a) Transmission	46,722.90	44,834.71	45,882.82	46,722.90	45,882.82	46,722.90	45,882.82
	b) Metal Forming	25,554.09	22,963.89	22,355.82	25,554.09	22,355.82	25,554.09	22,355.82
	c) Others	6,269.41	8,650.07	5,643.99	6,269.41	5,643.99	16,436.79	14,645.54
	d) Unallocated	3,864.40	3,864.41	4,677.30	3,864.40	4,677.30	2,090.20	3,208.93
	<b>Total</b>	<b>82,410.80</b>	<b>80,313.08</b>	<b>78,559.93</b>	<b>82,410.80</b>	<b>78,559.93</b>	<b>90,803.98</b>	<b>86,093.11</b>
4	<b>Segment Liabilities</b>							
	a) Transmission	17,253.85	17,056.19	15,974.69	17,253.85	15,974.69	17,253.85	15,974.69
	b) Metal Forming	5,700.75	4,768.87	5,052.56	5,700.75	5,052.56	5,700.75	5,052.56
	c) Others	1,373.51	1,180.49	1,131.62	1,373.51	1,131.62	2,877.27	2,186.78
	d) Unallocated	12,359.59	13,280.84	16,694.41	12,359.59	16,694.41	16,836.50	21,249.37
	<b>Total</b>	<b>36,687.70</b>	<b>36,286.39</b>	<b>38,853.28</b>	<b>36,687.70</b>	<b>38,853.28</b>	<b>42,668.37</b>	<b>44,463.40</b>



Standalone/Consolidated Statement of Assets and Liabilities

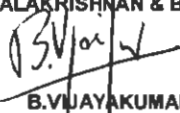
Particulars	As at	As at	As at	As at
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	(Rs. In Lakhs) Standalone		(Rs. In Lakhs) Consolidated	
<b>A EQUITY AND LIABILITIES</b>				
1) Shareholders' funds				
(a) Share Capital	1,569.62	1,569.62	1,569.62	1,569.62
(b) Reserves and Surplus	44,153.48	38,137.03	46,565.99	40,060.09
2) Minority Interest	-	-	1,692.17	1,531.91
3) Non-current Liabilities				
(a) Long-term Borrowings	7,886.98	7,882.29	9,157.85	9,487.57
(b) Deferred tax Liabilities	1,704.16	1,922.33	1,704.16	1,922.33
(c) Long-term provisions	836.19	325.00	836.19	325.00
4) Current Liabilities				
(a) Short-term Borrowings	114.00	3,233.84	584.00	4,445.88
(b) Trade Payables				
(i) total outstanding dues of micro enterprises & small enterprises	139.01	171.62	139.01	171.62
(ii) total outstanding dues other than micro enterprises and small enterprises	19,742.12	17,439.44	21,234.96	18,490.93
(c) Other current Liabilities	6,159.52	7,675.68	7,289.07	7,885.08
(d) Short-term provisions	105.72	203.08	30.96	203.08
<b>TOTAL</b>	<b>82,410.80</b>	<b>78,559.93</b>	<b>90,803.98</b>	<b>86,093.11</b>
<b>B ASSETS</b>				
1) Non-current Assets				
(a) Fixed Assets (Refer Note 6)				
(i) Tangible assets	35,390.20	32,637.85	38,926.05	36,342.07
(ii) Intangible assets	325.27	337.40	322.12	337.27
(iii) Capital work-in-progress	320.50	716.49	1,395.31	1,022.32
(iv) Goodwill on Consolidation	-	-	1,410.48	1,376.86
(b) Non-Current Investments	3,864.40	3,864.40	1,956.86	1,851.62
(c) Deferred Tax Asset	-	-	71.33	73.04
(d) Long-term loans and advances	1,598.68	2,449.20	1,660.75	2,920.62
(e) Other non-current assets	37.83	37.83	40.35	43.00
2) Current Assets				
(a) Inventories	22,006.48	21,340.37	23,258.48	22,787.98
(b) Trade Receivables	15,533.32	13,817.16	17,550.12	15,252.48
(c) Cash and cash equivalents	1,385.12	636.87	1,898.94	804.23
(d) Short-term loans and advances	1,822.78	2,600.51	1,963.04	2,714.33
(e) Other current assets	126.22	121.85	350.15	567.29
<b>TOTAL</b>	<b>82,410.80</b>	<b>78,559.93</b>	<b>90,803.98</b>	<b>86,093.11</b>





**Notes:**

- 1 The consolidated / standalone financial results of the Company for the year ended 31st March, 2017 have been reviewed by the Audit Committee at their meeting held on 5th May, 2017 and have been approved by the Board of Directors at its meeting held on 6th May, 2017.
- 2 The Consolidated Financial Results for the year ended 31st March 2017 includes the financial results of the subsidiaries namely, BCW V Tech India Private Limited, LGB-USA, INC & GFM Acquisition, LLC and Associate namely Renold Chain India Private Limited.
- 3 The standalone / consolidated financial results of the Company for the year ended 31st March, 2017 have been audited by the Statutory Auditors.
- 4 The Board of Directors of the Company have recommended a final dividend of Rs.7.00 per share, (70% on the face value of Rs.10/-) aggregating to Rs.1,322.41 Lakhs on the equity shares of the company, for the year ended 31st March, 2017. In terms of the revised Accounting Standard (AS)-4 "Contingencies and Events occurring after Balance sheet date" as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated March 30, 2016, the Company has not accounted for proposed dividend as liability as at 31st March, 2017. However, the proposed dividend of the previous year was accounted as liability as at 31st March, 2016 in accordance with the then existing Accounting Standard.
- 5 Revaluation reserve of Rs.44.44 Lakhs relating to certain revalued assets sold in the earlier years is transferred to the Statement of Profit and Loss and included in Other Income for the year ended 31st March, 2017.
- 6 Accounting Standard (AS) - 10 "Property, Plant and Equipments" became applicable to the Company from 1st April, 2016. The management has decided that it would adopt the cost model and accordingly revaluation reserve of Rs.94.47 Lakhs on standalone results and Rs.205.17 Lakhs on consolidated results, has been adjusted against the cost of respective assets as provided in the transitional provisions of the standard.
- 7 Exceptional item represents profit on sale of Land and Building.
- 8 Profit from associate for the year includes Rs.90.76 Lakhs relating to prior years.
- 9 The Board of Directors at its meeting held on 6th May, 2017 has given an in principle approval of the proposed merger of its wholly owned Subsidiary BCW V Tech India Private Limited with the Company with effect from 1st April, 2017 under a scheme of amalgamation, subject to necessary statutory and othr approvals.
- 10 In respect of Standalone results, figures of the last quarter are the balancing figures between the audited figures in respect of the full financial years and the Published year-to-date figures upto the third quarter of the respective financial years.
- 11 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period/year.

By order of the Board  
For L.G.BALAKRISHNAN & BROS LIMITED  
  
B.VJAYAKUMAR  
CHAIRMAN CUM MANAGING DIRECTOR

COIMBATORE  
06.05.2017

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF  
L.G. BALAKRISHNAN & BROS LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **L.G. BALAKRISHNAN & BROS LIMITED** ("the Company"), for the year ended March 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone financial statements which has been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

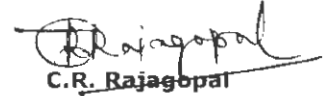
We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year ended March 31, 2017.



5. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the current financial year.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)



**C.R. Rajagopal**  
Partner

(Membership No. 23418)



Coimbatore, 6 May, 2017

**INDEPENDENT AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF  
L.G. BALAKRISHNAN & BROS LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of **L.G. BALAKRISHNAN & BROS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its share of the profit of its associate for the year ended March 31, 2017 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 4 below, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditor on separate financial statements and the other financial information of the subsidiaries referred to in paragraph 4 below, the Statement:
  - a. includes the results of the following entities:
    - (i) BCW V Tech India Private Limited (Subsidiary);
    - (ii) LGB-USA, INC. (Subsidiary);
    - (iii) GFM Acquisition LLC (Subsidiary);
    - (iv) GFM LLC (Subsidiary);
    - (v) Renold Chain India Private Limited (Associate);
  - b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and



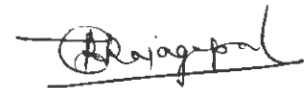
- c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Group for the year ended March 31, 2017.
4. We did not audit the financial statements / financial information of one subsidiary, included in the consolidated financial results, whose financial statements / financial information reflect total assets of Rs. 1,339.28 Lakhs as at 31 March, 2017, total revenues of Rs. 1,156.32 Lakhs for the year ended 31 March, 2017 and total loss after tax of Rs. (49.74) lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements / financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

5. The consolidated financial results includes the unaudited financial information of two subsidiaries, whose financial information reflect total assets of Rs. 8,335.89 lakhs as at 31 March, 2017, total revenue of Nil for the year ended 31 March, 2017, and total profit after tax of Rs. 779.58 Lakhs for the year ended 31 March, 2017, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs. 105.25 Lakhs for the year ended 31 March, 2017, as considered in the consolidated financial results, in respect of one associate, whose financial information has not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Management.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)



**C.R. Rajagopal**  
Partner  
(Membership No. 23418)



Coimbatore, 6 May, 2017